

9/30/2025 FINANCIAL REPORT

City of Eden Prairie, Minnesota

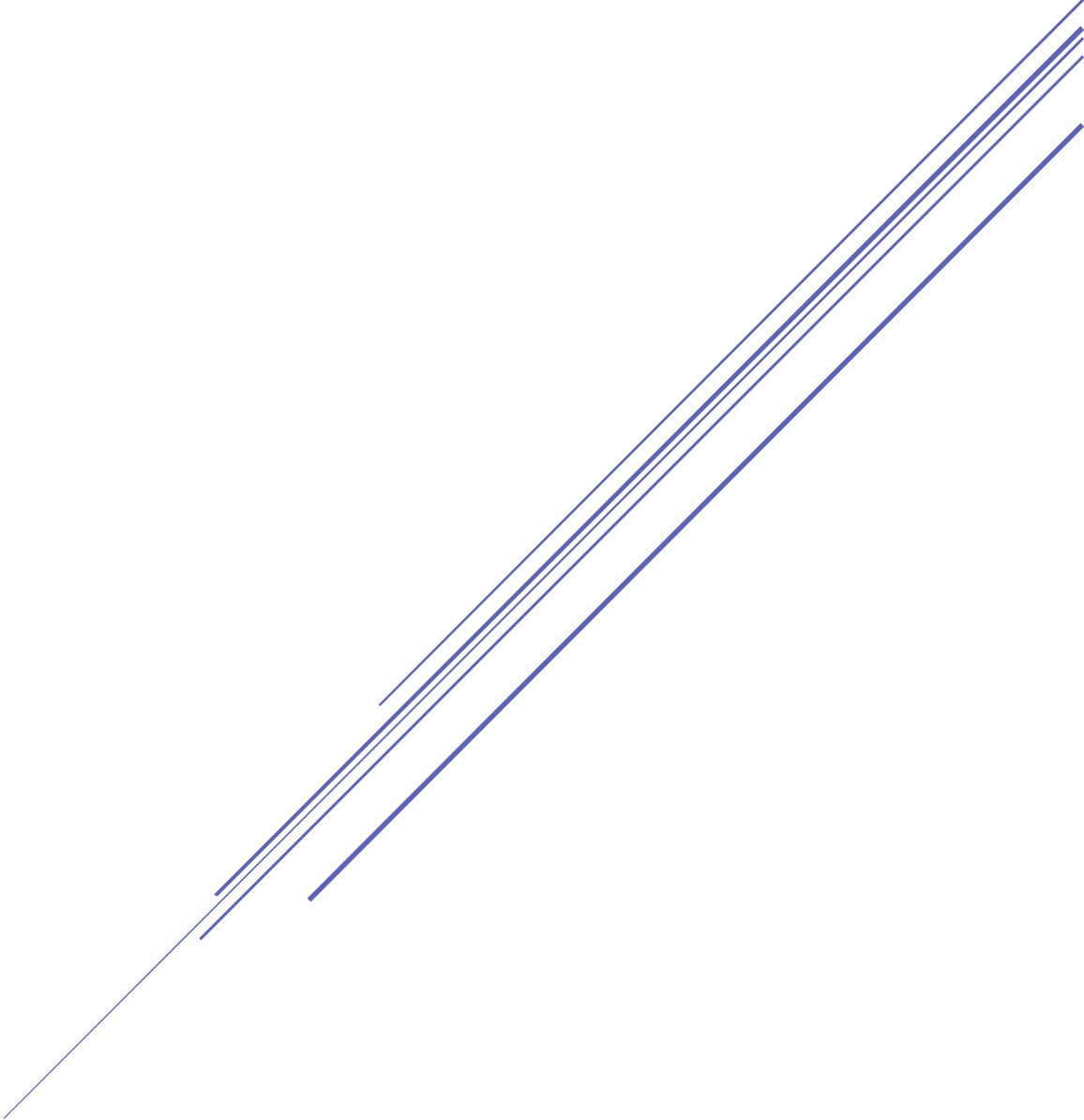


Table of Contents

Introduction	2
General Fund	2
Revenues	2
Expenditures	3
Capital Projects.....	4
Pavement Management.....	5
Utility Funds	6
Water Fund	6
Wastewater Fund	8
Stormwater Fund.....	9
Liquor Fund.....	10
Internal Service Funds	11
Facilities	11
Fleet	12
Information Technology	12
Energy Consumption	13
Electric	13
Street Lighting/Traffic Signals	14
Water Treatment Plant.....	14
Community Center	15
City Center.....	15
All Other Buildings	15
Community Solar Gardens.....	15
Gas	15

9/30/2025 Financial Report

Introduction

The City remains committed to delivering high-quality services to its residents while investing in crucial capital projects. This report outlines the costs associated with these services through September 30, 2025, and the revenues that support them. The report provides information for the general City operations, capital improvement projects, internal service funds, water, wastewater, stormwater, and liquor operations.

General Fund

The General Fund is the chief operating fund of the City of Eden Prairie. The General Fund accounts for a full range of municipal services including police and fire protection, street maintenance, recreation programs, park maintenance, community, and economic development, and building inspections.

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
REVENUES								
Taxes	\$ 46,264,072	\$ 23,988,589	52%	\$ 43,480,687	\$ 22,692,793	52%	\$ 1,295,796	6%
Licenses and Permits	4,159,200	4,518,332	109%	4,166,200	4,074,398	98%	443,934	11%
Intergovernmental Revenue	1,885,585	723,203	38%	1,868,175	459,745	25%	263,458	57%
Charges for Services	6,091,237	5,156,849	85%	5,984,215	4,618,324	77%	538,525	12%
Fines and Forfeitures	350,000	251,285	72%	350,000	296,592	85%	(45,307)	(15%)
Investment Income	50,000	-	0%	-	-	0%	-	0%
Other Revenue	156,725	292,571	187%	198,975	242,778	122%	49,793	21%
Total Revenues	58,956,819	34,930,829	59%	56,048,252	32,384,630	58%	2,546,199	8%
EXPENDITURES								
Administration	5,356,825	3,697,577	69%	5,465,649	3,751,347	69%	(53,770)	(1%)
Community Development	2,828,732	1,945,708	69%	2,709,805	1,918,912	71%	26,796	1%
Police	20,500,197	14,987,894	73%	19,500,731	14,197,111	73%	790,783	6%
Fire	8,067,386	5,253,185	65%	7,340,742	4,959,284	68%	293,901	6%
Public Works	7,051,708	4,894,475	69%	6,827,402	4,850,675	71%	43,800	1%
Parks and Recreation	16,091,087	11,886,738	74%	15,603,537	11,495,708	74%	391,030	3%
Debt Service	81,613	81,614	100%	81,614	99,790	122%	(18,176)	(18%)
Total Expenditures	59,977,548	42,747,191	71%	57,529,480	41,272,827	72%	1,474,364	4%
OTHER FINANCING SOURCES / (USES)								
Transfers In / (Out)	470,729	-	0%	473,203	600	0%	(600)	(100%)
Net Change in Fund Balance	\$ (550,000)	\$ (7,816,362)		\$ (1,008,025)	\$ (8,887,597)		\$ 1,071,235	

Revenues

As of September 30, 2025, revenues totaled \$34,930,829, representing 59% of the budget, and is \$2,546,199 more than the same period last year.

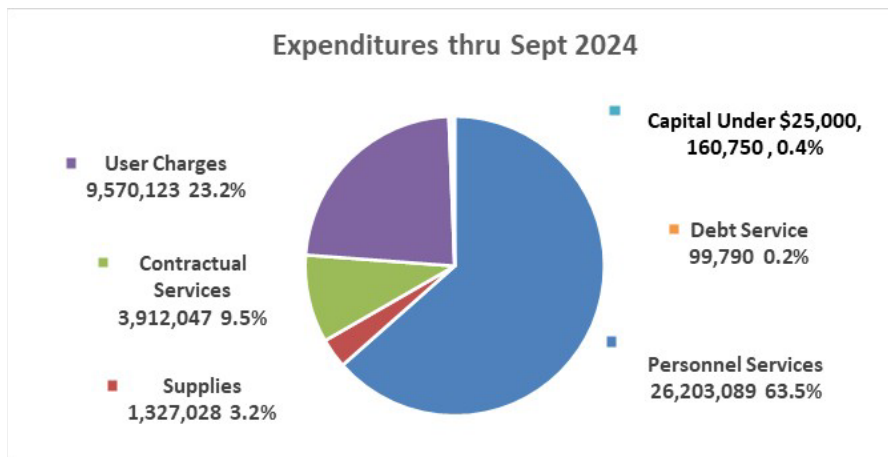
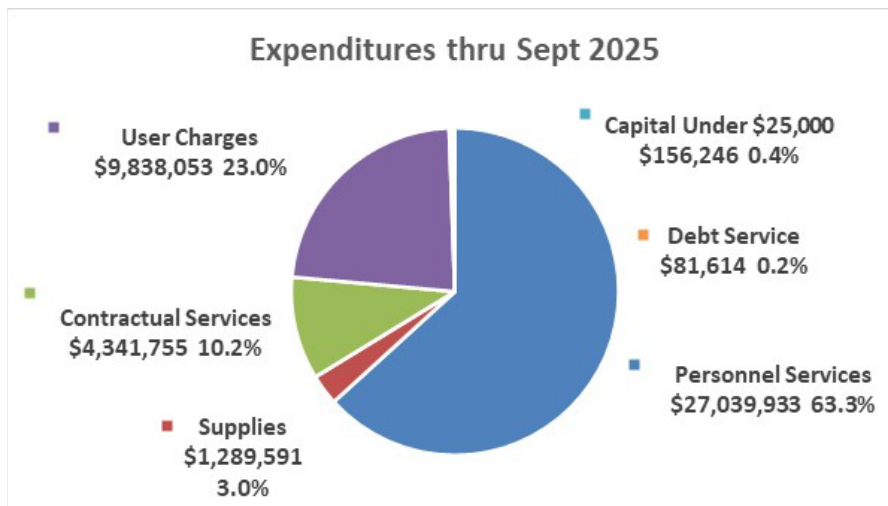
- Licenses and Permit Revenue increased over 2024 due to an increase in Building Permits and Street Permits.
- Intergovernmental Revenue increased over 2024 due to several new grants including Safe Road Zones, Solar on Public Buildings, Golden Triangle Area Connection Trail, and Youth Activities.
- Charges for Services increased over 2024 due primarily to community center memberships and Police supplemental employment.
- Other Revenue increases were for Police Officer reimbursement and the sale of assets.
- Offsetting the above increases was a decrease in the Police Fines revenue received.

9/30/2025 Financial Report

Expenditures

As of September 30, 2025, city-wide spending totaled \$42,747,191, or 71% of the budget, which is \$1,474,364 more than last year at this time. Below are expenditures by category.

Expenditures	2025		2024	Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	YTD Sept Actual		
Personnel Services	\$ 38,614,907	\$ 27,039,933	\$ 26,203,089	\$ 836,843	3%
Supplies	1,812,948	1,289,591	1,327,028	(37,437)	(3%)
Contractual Services	5,998,852	4,341,755	3,912,047	429,708	11%
User Charges	13,117,378	9,838,053	9,570,123	267,930	3%
Capital Under \$25,000	351,850	156,246	160,750	(4,504)	(3%)
Debt Service	81,613	81,614	99,790	(18,176)	(18%)
	<u>\$ 59,977,548</u>	<u>\$ 42,747,191</u>	<u>\$ 41,272,827</u>	<u>\$ 1,474,364</u>	<u>4%</u>



- Notable increases in Contractual Services include \$110,758 for solar installation on Fire Station #1 (reimbursed by grant revenue), \$45,860 for new Fire vehicles equipment, \$33,414 for Fire Station 4 remodel for new staff and \$30,942 for training/conferences for Police.
- Debt Service decreased due to the payoff of the Police Taser financing in 2024.

9/30/2025 Financial Report

Capital Projects

The City pays for capital projects out of various capital project funds. This helps to match the projects against the intended revenue source. The City spent \$24,221,555 on capital projects through September 30, 2025. This compares to \$14,885,991 in spending through September 30, 2024. The increase is due mainly to the police remodel and purchase of fire vehicles.

Capital Project Funds	Amount
Park Improvement	\$ 351,680
Improvement Projects	200,103
Capital Maintenance & Reinvestment	5,424,920
CIP Trails	22,195
Pavement Management Fund	5,120,119
Transportation Fund	354,075
Dell Rd (Crestwood to CSAH 61)	177,497
Willow Creek Street/Utilities	20,019
Police Remodel	6,435,583
Shady Oak Rd (Flying Cloud to Valley View)	1,322,234
Utility Fund - Water	2,557,267
Utility Fund - Wastewater	1,258,057
Utility Fund - Stormwater	211,801
IT Internal Service Fund	489,920
Facilities Internal Service Fund	276,085
	<u>\$ 24,221,555</u>

Significant capital projects through September 30, 2025, are listed below.

- \$6,435,583 for the police remodel at City Center
- \$4,150,742 for fire engines, rescue vehicles, and tool replacements from the Capital Maintenance and Reinvestment Fund
- \$1,783,274 for the water meter change out project from the Water Utility Fund
- \$696,947 for a hydro-excavator from the Wastewater Fund
- \$466,494 for Washington Ave sewer lining from the Wastewater Fund
- \$317,294 for Miller Park outdoor courts from the Park Improvement Fund

9/30/2025 Financial Report

Pavement Management

	2025	2024	Dollar	Percent
	YTD Sept	YTD Sept	Change	Change
	Actual	Actual		
OPERATING REVENUE				
Franchise Fees	\$ 2,698,098	\$ 2,710,280	\$ (12,182)	(0%)
State Aid Streets	600,000	600,000	-	0%
Total Operating Revenues	3,298,098	3,310,280	(12,182)	(0%)
OPERATING EXPENSE				
Supplies	4,550,049	3,928,580	621,470	16%
Contractual Services	386,796	545,641	(158,845)	(29%)
Capital Outlay	183,274	1,253,260	(1,069,985)	(85%)
Total Operating Expenses	5,120,119	5,727,480	(607,361)	(11%)
Operating Income (Loss)	(1,822,021)	(2,417,200)	595,179	(25%)

- As of September 30, 2025, the Pavement Management Fund shows a fund balance of (\$511,565). This negative balance is temporary, as the third-quarter franchise fees - totaling approx. \$1.4M last year - have not been received. The program aims to maintain a \$1M reserve for emergency repairs, enough to fix about 1/4 mile of a collector or 1/8 mile of an arterial roadway.
- The 2025 Pavement Management Program included 38,007 tons of asphalt removal and replacement which is approximately 11% more than 2024. The Surface Seal Project, completed in June, saw a 24% increase in pavement sealed and a 30% rise in costs compared to 2024. Despite the higher costs, overall costs decreased year over year due to the Prairie Center Drive pavement rehab project which accounted for approx. \$1.5M in costs in 2024.

9/30/2025 Financial Report

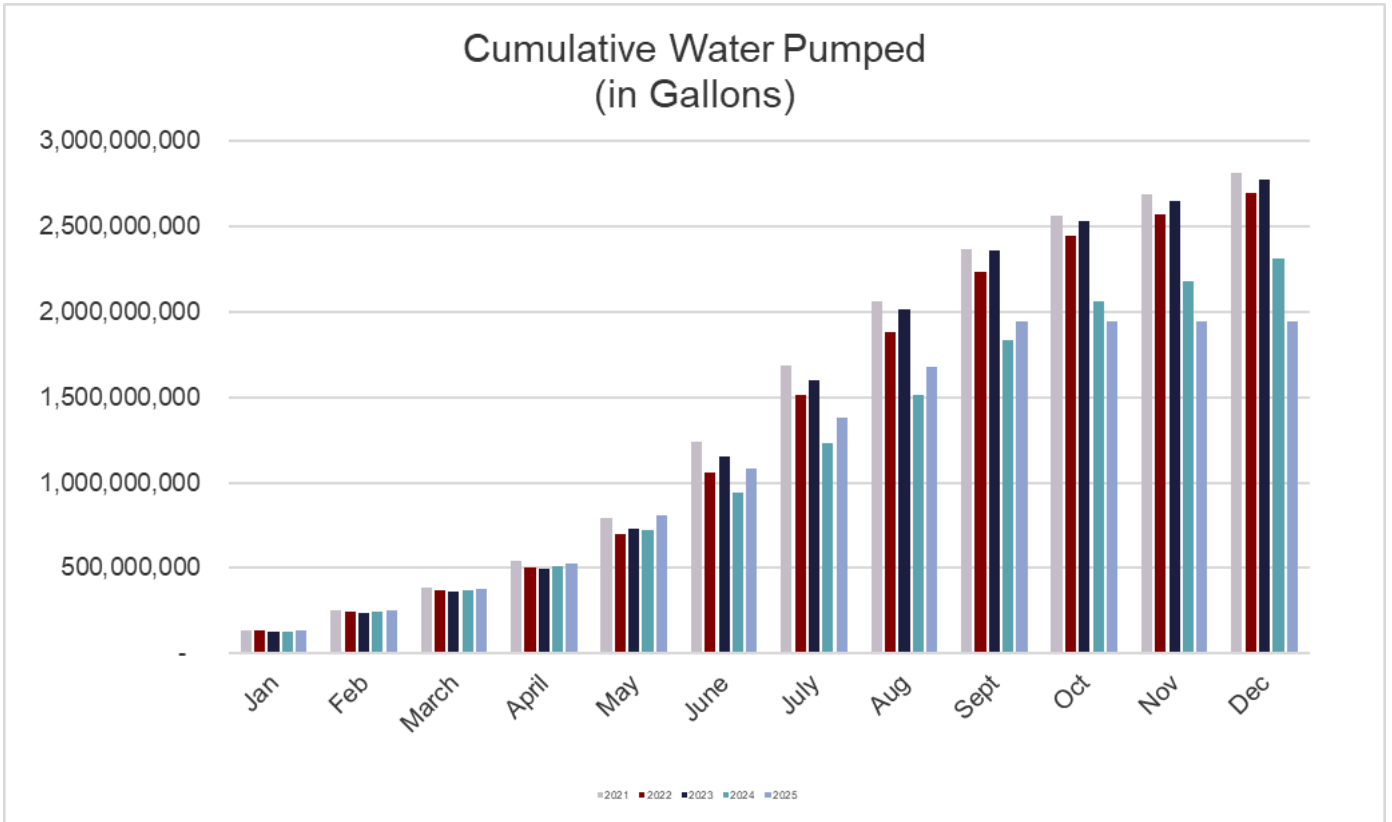
Utility Funds

Water Fund

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
OPERATING REVENUE								
Operating Revenue	\$ 10,855,413	\$ 7,635,805	70%	\$ 10,544,804	\$ 6,669,900	63%	\$ 965,905	14%
Total Operating Revenue	10,855,413	7,635,805	70%	10,544,804	6,669,900	63%	965,905	14%
OPERATING EXPENSE								
Personnel Services	3,637,690	2,594,681	71%	3,481,263	2,465,225	71%	129,456	5%
Supplies	1,159,969	1,380,707	119%	1,128,506	1,194,350	106%	186,357	16%
Contractual Services	2,965,076	1,774,599	60%	2,951,957	1,677,231	57%	97,368	6%
User Charges	513,366	385,038	75%	495,521	371,637	75%	13,401	4%
Capital Under \$25,000	82,500	43,507	53%	125,500	70,319	56%	(26,812)	(38%)
Total Operating Expense	8,358,601	6,178,532	74%	8,182,747	5,778,762	71%	399,770	7%
Capital Outlay	633,000	773,051	122%	1,290,000	919,407	71%	(146,356)	(16%)
Depreciation	3,106,747	2,330,060	75%	3,114,333	2,335,750	75%	(5,690)	(0%)
NONOPERATING REVENUE (EXPENSE)								
Grants	-	4,207	0%	-	3,890	0%	317	8%
Investment Income	30,000	-	0%	30,000	-	0%	-	0%
Bonds Interest	(248,885)	(199,420)	80%	(272,010)	(219,395)	81%	19,975	(9%)
Fiscal Agent Fees	-	(787)	0%	-	(787)	0%	-	0%
Gain (Loss) on Disposition of Capital Assets	-	-	0%	-	(38,140)	0%	38,140	(100%)
Miscellaneous	-	44,737	0%	-	6,830	0%	37,907	555%
Total Nonoperating Revenue (Expense)	(218,885)	(151,263)	69%	(242,010)	(247,602)	102%	96,339	(39%)
Income (Loss) Before Contributions and Transfers	(1,461,820)	(1,797,101)	123%	(2,284,286)	(2,611,621)	114%	814,520	(31%)
Contributions	-	-	0%	-	215,418	0%	(215,418)	(100%)
Capital Access Charges	-	1,300,660	0%	-	692,490	0%	608,170	88%
Capital Special Assessments	-	221,571	0%	-	237,933	0%	(16,362)	(7%)
Transfer In (Out)	(235,364)	-	0%	(236,601)	-	0%	-	0%
Change in Net Position	\$ (1,697,184)	\$ (274,870)	16%	\$ (2,520,887)	\$ (1,465,780)	58%	\$ 1,190,910	(81%)

- Operating revenue through September 30, 2025, totaled \$7,635,805 which is an increase of \$965,905 or 14% from 2024.
- Fixed charges have increased by \$73,262 or 3.8% due primarily to the rate increase.
- Water sales have increased by \$897,200 or 19%. This increase in sales is attributed to pumping 111M more gallons of water in January – September 2025 than the same period in 2024. The cumulative water use for 2021-2025 is shown on the graph on the next page.
- The monthly average maximum temperature for January - September 2025 was 2.0 degrees cooler than for 2024.
- January - September 2025 cumulative monthly precipitation was 0.87 inches less than in January - September 2024.

9/30/2025 Financial Report



- Supplies are 119% spent and \$186,357 more than last year, primarily due to significant price hikes in chemicals and increased chemical usage resulting from higher water consumption compared to the previous year.
- Capital Outlay expenditures include \$351,794 in costs for well rehabilitation and \$185,080 for water main rehab replacement. Last year included \$698,421 for well 5 wellhouse demo and rehab.
- Non-Operating revenues include access charges, special assessments, and other miscellaneous items. In January – September 2025, notable access charges were received from ISD272 Tassle School, Lava Island, Wunderlich Malec Engineering, Classic Collision, Amore Patisserie, Champion Hall Athletic Event Center and Fox & Grouse Apartments. In 2024, notable access charges were received from Crew Car Wash, Mister Car Wash, and Grace Church. Revenues collected in this category vary each year.

9/30/2025 Financial Report

Wastewater Fund

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
OPERATING REVENUE								
Operating Revenue	\$ 8,355,603	\$ 6,283,756	75%	\$ 8,112,771	\$ 5,908,741	73%	\$ 375,015	6%
Total Operating Revenue	8,355,603	6,283,756	75%	8,112,771	5,908,741	73%	375,015	6%
OPERATING EXPENSE								
Personnel Services	1,197,011	846,741	71%	1,144,592	784,336	69%	62,405	8%
Supplies	84,350	74,275	88%	82,476	86,423	105%	(12,148)	(14%)
Contractual Services	5,236,682	3,749,918	72%	5,093,098	3,687,318	72%	62,600	2%
User Charges	389,650	292,239	75%	376,100	282,078	75%	10,161	4%
Capital Under \$25,000	160,300	142,706	89%	160,000	4,000	3%	138,706	3468%
Total Operating Expense	7,067,993	5,105,879	72%	6,856,266	4,844,155	71%	261,724	5%
Capital Outlay	1,247,000	491,632	39%	1,631,750	332,242	20%	159,391	48%
Depreciation	1,380,373	1,035,280	75%	1,384,137	1,038,103	75%	(2,823)	(0%)
NONOPERATING REVENUE (EXPENSE)								
Investment Income	10,000	-	0%	10,000	-	0%	-	0%
Gain (Loss) on Disposition of Capital Assets	-	-	0%	-	(67,598)	0%	67,598	(100%)
Miscellaneous	-	65,222	0%	-	14,651	0%	50,571	345%
Total Nonoperating Revenue (Expense)	10,000	65,222	652%	10,000	(52,947)	(529%)	118,169	(223%)
Income (Loss) Before Contributions and Transfers	(1,329,763)	(283,813)	21%	(1,749,382)	(358,706)	21%	74,892	(21%)
Contributions	-	-	0%	-	241,037	0%	(241,037)	(100%)
Capital Access Charges	-	330,420	0%	-	206,370	0%	124,050	60%
Special Assessments	-	48,536	0%	-	61,041	0%	(12,505)	(20%)
Transfer (out)	(164,755)	-	0%	(165,621)	-	0%	-	0%
Change in Net Position	\$ (1,494,518)	\$ 95,143	(6%)	\$ (1,915,003)	\$ 149,742	(8%)	\$ (54,600)	(36%)

- Operating revenue through September 30, 2025, totaled \$6,283,756 which is an increase of \$375,015 or 6% from 2024. Fixed Charges increased by \$73,166 or 3.8% due primarily to a rate increase.
- Sewer consumption increased 4.5% from 998M gallons in January – September 2024 to 1.042B gallons in January – September 2025.
- Disposal charges (part of contractual services) are the largest expense totaling \$3,567,172 which is a 3.2% increase over last year.
- Capital Outlay includes \$466,494 for the Washington Avenue Sanitary Lining project, while last year includes \$275,126 for the Homeward Hills Sewer Lining project.
- Non-Operating revenues include access charges, special assessments, and other miscellaneous items. In January – September 2025, notable access charges were received from ISD272 Tassle School, Lava Island, Wunderlich Malec Engineering, Classic Collision, Amore Patisserie, Champion Hall Athletic Event Center and Fox & Grouse Apartments. In 2024, notable access charges were received from Crew Car Wash, Mister Car Wash, and Grace Church. Revenues collected in this category vary each year.

9/30/2025 Financial Report

Stormwater Fund

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
OPERATING REVENUE								
Operating Revenue	\$4,008,561	\$3,093,424	77%	\$3,891,807	\$2,971,670	76%	\$ 121,754	4%
Total Operating Revenue	4,008,561	3,093,424	77%	3,891,807	2,971,670	76%	121,754	4%
OPERATING EXPENSE								
Personnel Services	863,383	570,627	66%	825,825	577,032	70%	(6,405)	(1%)
Supplies	166,650	121,636	73%	164,150	82,494	50%	39,142	47%
Contractual Services	414,158	266,537	64%	621,326	312,119	50%	(45,582)	(15%)
User Charges	188,551	141,408	75%	182,352	136,764	75%	4,644	3%
Capital Under \$25,000	1,500	-	0%	9,500	950	10%	(950)	(100%)
Total Operating Expense	1,634,242	1,100,208	67%	1,803,153	1,109,359	62%	(9,151)	(1%)
Capital Outlay	1,567,000	153,401	10%	1,427,500	459,101	32%	(305,700)	(67%)
Depreciation	1,051,917	788,938	75%	1,051,334	788,501	75%	437	0%
NONOPERATING REVENUE (EXPENSE)								
Grants	-	-	0%	-	29,406	0%	(29,406)	(100%)
Miscellaneous	-	4,808	0%	-	8,693	0%	(3,886)	(45%)
Total Nonoperating Revenue (Expense)	-	4,808	0%	-	38,099	0%	(33,292)	(87%)
Income (Loss) Before Contributions and Transfers	(244,598)	1,055,685	(432%)	(390,180)	652,808	(167%)	402,877	62%
Contributions	-	-	0%	-	108,943	0%	(108,943)	(100%)
Capital Special Assessments	-	5,645	0%	-	5,707	0%	(62)	(1%)
Transfer In (Out)	(70,610)	-	0%	(70,981)	-	0%	-	0%
Change in Net Position	\$ (315,208)	\$ 1,061,330	(337%)	\$ (461,161)	\$ 767,458	(166%)	\$ 293,872	38%

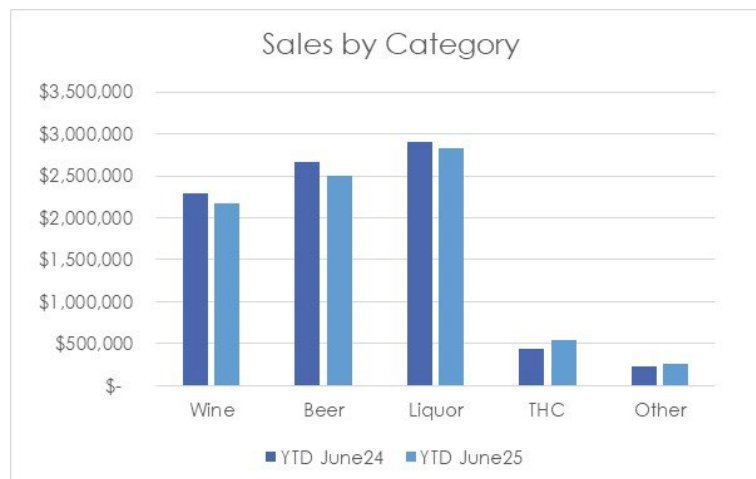
- Operating revenue through September 30, 2025, totaled \$3,093,424 which is an increase of \$121,754 or 4% from 2024 which is attributable to rates increasing in 2025.
- Operating expenses total \$1,100,208, which is 67% of the budget and \$9,151 less than last year. Expenses fluctuate annually depending on the projects undertaken.
- Capital Outlay includes \$60,664 for the Sorrel and Mitchell Drainage project. Last year included \$333,180 for pond dredging.

9/30/2025 Financial Report

Liquor Fund

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
SALES AND COST OF SALES								
Net Sales	\$12,952,851	\$8,210,141	63%	\$12,557,762	\$8,403,817	67%	\$(193,676)	(2%)
Cost of Sales	9,307,458	5,737,857	62%	9,025,784	5,983,730	66%	(245,873)	(4%)
Gross Profit	3,645,393	2,472,284	68%	3,531,978	2,420,087	69%	52,197	2%
Gross Profit %	28.1%	30.1%		28.1%	28.8%			
OPERATING REVENUE								
Wine Club Memberships / Tasting Events	46,000	30,730	67%	45,000	29,339	65%	1,391	5%
Total Operating Revenue	46,000	30,730	67%	45,000	29,339	65%	1,391	5%
OPERATING EXPENSE								
Personnel Services	1,579,448	1,132,959	72%	1,507,321	1,101,370	73%	31,589	3%
Supplies	38,900	17,626	45%	38,750	20,889	54%	(3,263)	(16%)
Contractual Services	782,354	544,528	70%	762,754	523,533	69%	20,995	4%
User Charges	192,361	144,279	75%	186,142	139,617	75%	4,662	3%
Capital Under \$25,000	7,700	2,607	34%	7,700	5,123	67%	(2,516)	(49%)
Total Operating Expense	2,600,763	1,841,999	71%	2,502,667	1,790,532	72%	51,467	3%
Lease Amortization	217,345	163,011	75%	214,620	178,853	83%	(15,842)	(9%)
NONOPERATING REVENUE (EXPENSE)								
Other Nonoperating Revenue (Expense)	5,580	4,154	74%	5,580	4,442	80%	(288)	(6%)
Transfer In (Out)	(800,000)	-	0%	(800,000)	-	0%	-	0%
Total Nonoperating Revenue (Expense)	(794,420)	4,154	(1%)	(794,420)	4,442	(1%)	(288)	(6%)
Change in Net Position	\$ 78,865	\$ 502,158	637%	\$ 65,271	\$ 484,483	742%	\$ 17,675	4%

- Net sales totaled \$8,210,141, down \$193,676 from last year. The loyalty rewards program offers \$10 off per 200 points (1 point per \$1 spent). As of September 2025, \$95,379 in rewards were redeemed, down from \$113,221 in 2024. Sales by category are below.



- Operating expenses totaled \$1,841,999 – 71% of the \$2,600,763 budget and \$51,467 more than last year. This year includes \$15,000 for a rewards program consultant.

9/30/2025 Financial Report

Internal Service Funds

Facilities

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
OPERATING REVENUE								
Charges for Services	\$ 6,499,255	\$ 4,874,418	75%	\$ 6,280,877	\$ 4,710,636	75%	\$ 163,782	3%
Rental	764,549	11,157	1%	734,166	60,093	8%	(48,936)	(81%)
Total Operating Revenues	7,263,804	4,885,575	67%	7,015,043	4,770,729	68%	114,846	2%
OPERATING EXPENSE								
Personnel Services	1,532,725	1,087,709	71%	1,459,048	1,024,949	70%	62,760	6%
Supplies	520,229	344,010	66%	509,772	305,555	60%	38,455	13%
Contractual Services	4,258,067	2,537,672	60%	4,138,205	2,561,872	62%	(24,200)	(1%)
User Charges	47,825	35,865	75%	45,690	34,272	75%	1,593	5%
Capital Under \$25,000	154,500	64,693	42%	154,500	121,174	78%	(56,481)	(47%)
Total Operating Expense	6,513,346	4,069,949	62%	6,307,215	4,047,822	64%	22,127	1%
Operating Capital	-	276,085	0%	-	574,700	0%	(298,615)	(52%)
Depreciation	112,954	84,716	75%	113,193	84,895	75%	(179)	(0%)
NONOPERATING REVENUE (EXPENSE)								
Miscellaneous	-	14,099	0%	-	747	0%	13,352	1787%
Total Nonoperating Revenue (Expense)	-	14,099	-	-	747	0%	13,352	1787%
Change in Net Position	\$ 637,504	\$ 468,924	74%	\$ 594,635	\$ 64,059	11%	\$ 404,865	632%

- Facilities operating revenues are \$114,846 or 2% more than the prior year due to 3% inflationary increases in charges for services and a reduction in rental income with tenant vacancy as a result of police office remodeling at City Center
- Personnel Services are \$62,760 or 6% more than the prior year due to cost-of-living wage adjustments and increased health insurance benefit costs
- Supplies are \$38,455 or 13% more than the prior year with increases noted in cleaning supplies at the Community Center and HVAC supplies at the Community Center and Maintenance Facility
- Contractual Services are \$24,200 or 1% less than the prior year due to decreased utility costs at City Center while the building is undergoing remodeling
- Capital Under \$25,000 is \$56,481 or 47% less than the prior year which included one-time building facility assessments
- Operating Capital is \$298,615 or 52% less than the prior year which included replacement of two air handling units at the Community Center

9/30/2025 Financial Report

Fleet

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
OPERATING REVENUE								
Charges for Services	\$3,431,826	\$2,573,874	75%	\$3,325,857	\$2,494,386	75%	\$ 79,488	3%
Total Operating Revenues	3,431,826	2,573,874	75%	3,325,857	2,494,386	75%	79,488	3%
OPERATING EXPENSE								
Personnel Services	693,213	480,706	69%	665,322	459,715	69%	20,991	5%
Supplies	1,070,350	562,456	53%	1,053,350	730,990	69%	(168,533)	(23%)
Contractual Services	301,837	113,980	38%	303,746	297,142	98%	(183,163)	(62%)
Capital Under \$25,000	61,000	34,159	56%	60,500	7,774	13%	26,385	339%
Total Operating Expenses	2,126,400	1,191,301	56%	2,082,918	1,495,620	72%	(304,319)	(20%)
Operating Income (Loss) before Depreciation	1,305,426	1,382,573	106%	1,242,939	998,766	80%	383,807	38%
Capital Outlay	-	21,226	0%	-	-	0%	21,226	0%
Depreciation	1,345,775	1,009,331	75%	1,242,876	932,157	75%	77,175	8%
Operating Income (Loss) Before Nonoperating Revenue / Expense	(40,349)	352,016	(872%)	63	66,609	105729%	285,407	428%
NONOPERATING REVENUE (EXPENSE)								
Investment Income	50,000	-	0%	50,000	-	0%	-	0%
Gain (Loss) on Disposition of Capital Assets	266,100	213,563	80%	438,280	100,575	23%	112,988	112%
Contributions	-	141,427	0%	-	86,228	0%	55,199	64%
Miscellaneous	-	71,880	0%	-	1,940	0%	69,940	3605%
Total Nonoperating Revenues (Expenses)	316,100	426,870	135%	488,280	188,743	39%	238,126	126%
Change in Net Position	\$ 275,751	\$ 778,885	282%	\$ 488,343	\$ 255,352	52%	\$ 523,533	205%

- Supplies and contractual services are significantly lower compared to last year, primarily due to reduced fuel prices, the timing of purchases of plow cutting-edge inventory parts, and a decline in incidents involving crash vehicles and engine failures.
- Capital under \$25,000 includes a new floor scrubber for \$15,814.
- Capital outlay includes a scissor lift for \$20,899.
- Miscellaneous revenues include a \$68,700 electric pay credit.

Information Technology

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
OPERATING REVENUE								
Charges for Services	\$ 3,508,568	\$ 2,631,411	75%	\$ 3,474,692	\$ 2,606,058	75%	25,353	1%
Total Operating Revenue	3,508,568	2,631,411	75%	3,474,692	2,606,058	75%	25,353	1%
OPERATING EXPENSE								
Personnel Services	908,454	673,391	74%	862,103	644,401	75%	28,989	4%
Supplies	18,600	2,126	11%	18,600	3,168	17%	(1,043)	(33%)
Contractual Services	1,958,231	1,619,431	83%	1,997,219	1,740,667	87%	(121,237)	(7%)
Capital under \$25,000	183,323	75,360	41%	177,760	134,733	76%	(59,373)	(44%)
Total Operating Expense	3,068,608	2,370,308	77%	3,055,682	2,522,969	83%	(152,663)	(6%)
Operating Capital	-	489,920	0%	-	154,508	0%	335,413	217%
Depreciation/Amortization	30,729	23,047	75%	39,000	29,250	75%	(6,203)	(21%)
NONOPERATING REVENUE (EXPENSE)								
Miscellaneous	-	223	0%	-	221	0%	2	1%
Total Nonoperating Revenue (Expense)	-	223	0%	-	221	0%	2	1%
Change in Net Position	\$ 409,231	\$ (251,641)	(61%)	\$ 380,010	\$ (100,448)	(26%)	(151,193)	151%

9/30/2025 Financial Report

- Information Technology operating revenues are \$25,353 or 1% more than the prior year with charges for services slightly increasing due to inflationary increases in technology expenses
- Personnel Services are \$28,989 or 4% more than the prior year due to cost-of-living wage adjustments and increases in health benefits
- Contractual Services are \$121,237 or 7% less as a result of an uninterruptable power supply replacement occurring in 2024 as well as a reduction in financial software expenses due to a change in software vendors
- Capital under \$25,000 is \$59,373 or 44% less than the prior year due to the purchase of new fire software in 2024
- Operating Capital is \$335,413 more than the prior year due to the purchase of new police body cameras and replacement of police mobile computers in 2025

Energy Consumption

City energy costs which include electricity and natural gas are 59% spent through September 30, 2025 and \$91,939 or 4% more than September 30, 2024.

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
Electric	\$ 3,525,274	\$ 2,146,757	61%	\$ 3,421,867	\$ 2,150,118	63%	\$ (3,361)	(0%)
Gas	792,837	394,009	50%	754,939	298,709	40%	95,300	32%
	<u>\$ 4,318,111</u>	<u>\$ 2,540,766</u>	<u>59%</u>	<u>\$ 4,176,806</u>	<u>\$ 2,448,827</u>	<u>59%</u>	<u>\$ 91,939</u>	<u>4%</u>

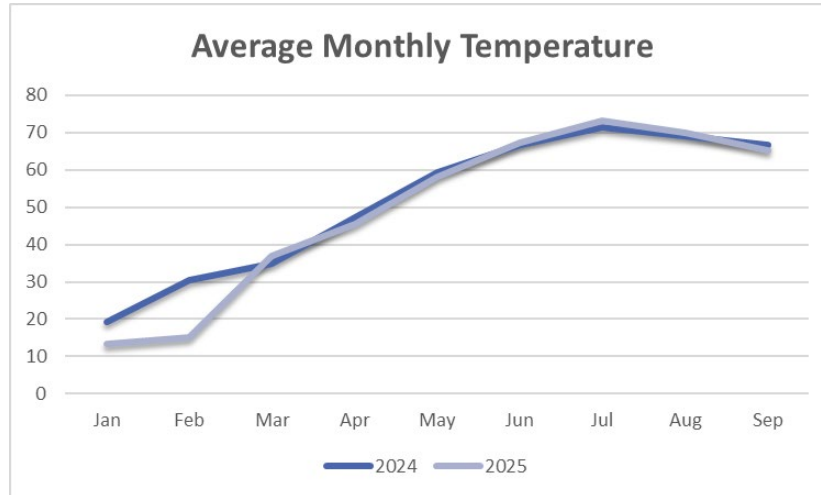
Electric

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
Street Lighting & Traffic Signals	\$ 1,107,971	\$ 792,209	72%	\$ 1,075,700	\$ 742,837	69%	\$ 49,372	7%
Water Treatment Plant	1,032,437	593,596	57%	1,002,365	590,522	59%	3,074	1%
Community Center	669,758	387,815	58%	650,250	403,808	62%	(15,993)	(4%)
City Center	404,806	195,167	48%	393,016	243,558	62%	(48,391)	(20%)
Maintenance Facility	47,813	30,729	64%	46,420	30,798	66%	(69)	(0%)
Park Lighting/Shelters	94,767	61,719	65%	92,008	55,568	60%	6,151	11%
Liquor Stores	69,782	33,777	48%	67,749	33,840	50%	(63)	(0%)
Fire Stations	68,677	35,185	51%	66,677	41,381	62%	(6,196)	(15%)
Community Solar Gardens	(25,000)	(14,560)	58%	(25,000)	(21,443)	86%	6,883	(32%)
All Other (Senior, Art, Outdoor Ctrs)	54,263	31,120	57%	52,682	29,249	56%	1,871	6%
	<u>\$ 3,525,274</u>	<u>\$ 2,146,757</u>	<u>61%</u>	<u>\$ 3,421,867</u>	<u>\$ 2,150,118</u>	<u>63%</u>	<u>\$ (3,361)</u>	<u>(0%)</u>

Electric is 61% spent at \$2,146,757 compared to a budget of \$3,525,274 and \$3,361 less than September 30, 2024. Street lighting and traffic signals are the largest part of the electric budget followed by the Water Treatment Plant (including wells and sewer lift stations), Community Center and City Center.

While usage and rates affect the City's overall energy costs, it is important to note that weather plays a role as well. Colder than average temperatures in the winter months and warmer temperatures in the summer months lead to increased energy use. The following chart illustrates the average monthly temperature comparison for 2024 and 2025. Overall, temperatures were cooler in the first two winter months of 2025 and comparable to the prior year throughout the spring and summer.

9/30/2025 Financial Report

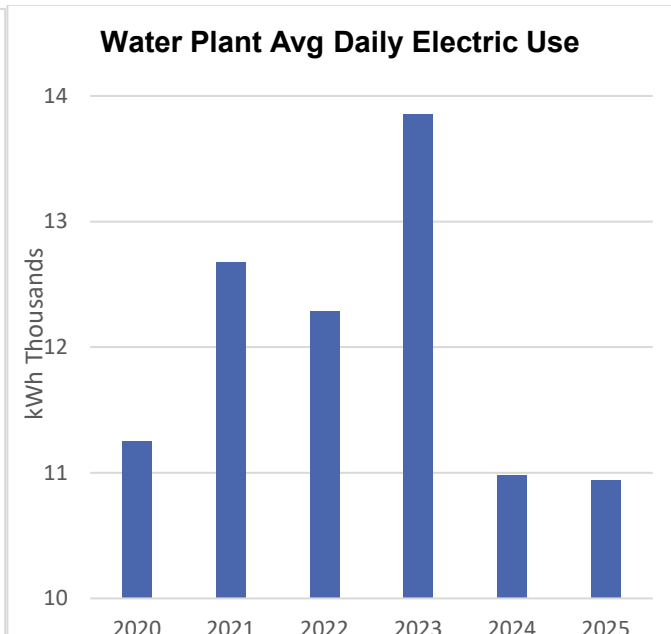
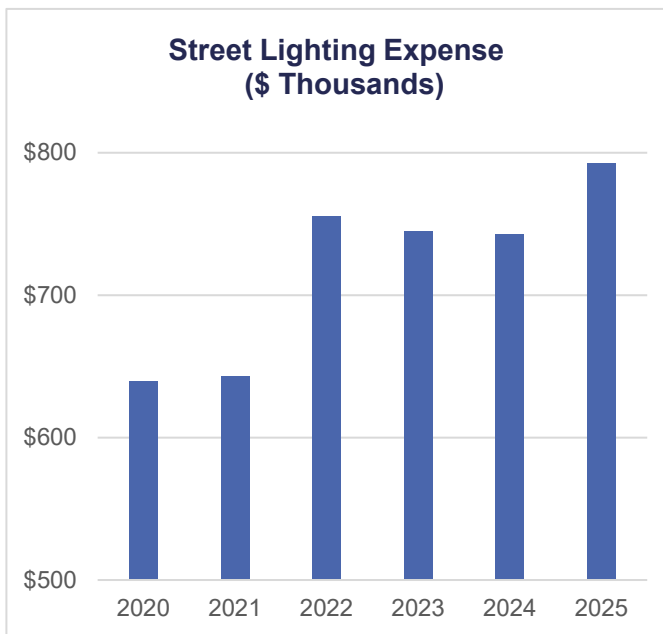


Street Lighting/Traffic Signals

In 2022, Xcel Energy electric rates increased 20% over 2021. Expenses for 2023 were less than 2022 due to reduced Xcel Energy resource adjustment rates in addition to a \$93,586 Xcel Energy interim rate refund. The refund is for the difference between what the City paid under interim rates in prior years and final approved rates by the Public Utilities Commission. For September 30, 2025, expenses are running 7% more than 2024. Xcel has increased their resource adjustment and interim rates. The resource adjustment recovers Xcel’s investments in adding, transmitting, and distributing renewable energy systems. The graph below illustrates street lighting and traffic signal expenses through September 30.

Water Treatment Plant

The Water Treatment Plant, including wells and sewer lift stations, is another large user of electricity. Through September 30, 2025, the electric budget is 57% spent and consistent with the prior year. The graph below illustrates average daily use for 2020-2025.



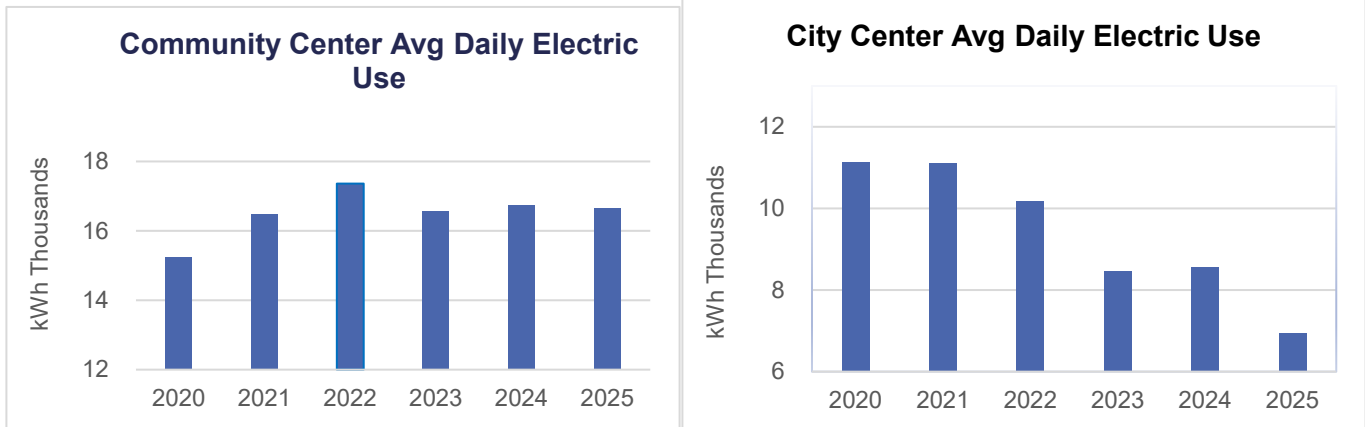
9/30/2025 Financial Report

Community Center

The Community Center's electric budget is 58% spent through September 30, 2025 and \$15,993 or 4% less than September 30, 2024. Average daily use is slightly less than the prior year and depicted in the graph below.

City Center

City Center electric is 48% spent and \$48,391 or 20% less than September 30, 2024. City Center is currently undergoing a significant remodel for the police department with part of the building's HVAC inactive. Building average daily use is 19% less than the prior year.



All Other Buildings

The remaining users of electric include the Maintenance Facility, Parks and Shelters, Liquor Stores, Fire Stations, Senior, Art, and Outdoor Centers. Total expenses through September 30, 2025, are 57% spent and 1% or \$1,694 more than September 30, 2024. Investments have been made in LED lights at the liquor stores and HVAC improvements at Fire Station 1.

Community Solar Gardens

The City executed contracts in 2018 to become a subscriber to community solar gardens in the Hennepin County and surrounding area. Four of the proposed five gardens began production in 2020. You will note on the first page of the energy analysis, a credit of \$14,560 for the community solar gardens. Per the executed contract, the City receives credits from Xcel Energy for participating in these gardens. This credit represents the City's savings through September 30, 2025.

Gas

	2025			2024			Dollar Change	Percent Change
	Annual Budget	YTD Sept Actual	Percent of Budget	Annual Budget	YTD Sept Actual	Percent of Budget		
Community Center	\$ 454,145	\$ 200,504	44%	\$ 432,519	\$ 151,831	35%	\$ 48,673	32%
Water Treatment Plant	153,010	88,659	58%	145,581	65,975	45%	22,684	34%
City Center	52,125	20,649	40%	49,643	19,165	39%	1,484	8%
Maintenance Facility	39,465	32,215	82%	37,586	23,704	63%	8,511	36%
Fire Stations	30,062	15,067	50%	28,630	13,058	46%	2,009	15%
Park Shelters	24,651	13,298	54%	23,477	9,202	39%	4,096	45%
Liquor Stores	11,209	7,790	69%	10,675	5,144	48%	2,646	51%
All Other (Senior, Art, Outdoor Ctrs)	28,170	15,827	56%	26,828	10,630	40%	5,197	49%
	\$ 792,837	\$ 394,009	50%	\$ 754,939	\$ 298,709	40%	\$ 95,300	32%

9/30/2025 Financial Report

Natural Gas is 50% spent with an actual expense of \$394,009 and a budget of \$792,837. This is a 32% increase over September 30, 2024. Natural gas prices are up 22% over 2024 with increased use noted in the early winter months of 2025 due to colder temperatures.